definition is so vague it could even include transmission technology that has not yet even been invented. Clearly, the Commission's analysis – which focused on the fact that "dark fiber provides high transmission capabilities at relatively low cost" (*UNE Remand Order* at ¶ 196.), that "the capacity of fiber can be increased many fold simply by increasing the power of the electronics that light it" (*Id.* at ¶ 198.), and that "dark fiber is already installed and easily called into service" (*Id.* at ¶ 325.) – did not address whether other technologies meet the statutory definition of a UNE. There is no basis, therefore, for AT&T's attempt to expand the definition of dark fiber and the accompanying obligations of Verizon VA.

The Verizon VA proposed Interconnection Agreements with AT&T (§ 11.2.15) and with WorldCom (UNE Attachment § 7) provide reasonable, non-discriminatory terms and conditions by which AT&T and WorldCom can access unbundled dark fiber in accordance with Verizon VA's obligations under the *UNE Remand Order.*

Q. MAY A CLEC RESERVE DARK FIBER FOR FUTURE USE? (ISSUE III-12 (B))

A. No. AT&T erroneously assumes that Verizon VA reserves fiber for its own use, and then claims that a CLEC should be afforded the same opportunity. Verizon VA, however, does not reserve dark fiber for its own use. There is no basis, therefore, to allow AT&T or any CLEC to reserve dark fiber. More importantly, a dark fiber reservation policy would negatively impact fiber resources, engineering forecasting and build-out plans. A reservation policy would start a "land rush" on Verizon's fiber facilities and encourage CLECs to hoard dark fiber for hoped-for future use or to impede access to dark fiber by

competitors. In addition, a reservation policy would contradict one of the fundamental goals of the Act, that is, to encourage CLECs to build their own networks. There would be no incentive for the CLECs to build if they could warehouse Verizon's dark fiber. Verizon VA's no reservation policy also is a reasonable limitation as a reservation policy could threaten Verizon's ability to provide service as a carrier of last resort.

Q. PLEASE DESCRIBE THE IMPACTS ON VERIZON VA FROM A RESERVATION POLICY.

A. For Verizon VA, a dark fiber reservation policy whereby CLECs could lock up Verizon VA's current inventory of dark fiber would undermine its engineering and forecasting process and impede Verizon VA's ability to implement its business plans. Such a policy could force Verizon VA to spend unnecessary capital and incur unnecessary expense to build new facilities before they would be needed. As the carrier of last resort, Verizon VA, unlike a CLEC, must have facilities in place to serve all customers, and dark fiber in a CLEC's "warehouse" could not be counted on to serve other customers.

To that end, Verizon VA's interconnection agreement clearly spells out when fiber is available as a dark fiber UNE. Unlit fibers assigned as maintenance spares are not available for customer requirements. These fibers are considered in use as they are required for emergency restorations and maintenance purposes. In addition, fibers assigned to customer orders, including CLEC orders for dark fiber UNEs, are for near term customer requirements and therefore not available.

States have considered AT&T's request for a dark fiber reservation policy and have rejected them as well. For example, in the *Massachusetts Phase 4N Order*, the Massachusetts Department of Telecommunications and Energy rejected a reservation system and stated:

> . . . the availability of a given circuit would be subject to market forces, just as the availability of loops, switching capacity, and transport are so subject. Accordingly, AT&T's proposal for a reservation system and for a 25 percent reservation charge is not accepted.[3]

Q. SHOULD VERIZON VA BE REQUIRED TO UPGRADE ELECTRONICS ON LIT FIBER, AS AT&T MAINTAINS?

A. No. As an unrelated addendum to Issue III-12 (B), AT&T asserts that Verizon VA should be required "if it is technically feasible to upgrade the electronics and, thus, render the unused transmission media available." AT&T Petition at 205. Verizon VA is under no obligation to reengineer its network and operating services in order to convert lit fiber into additional unlit fiber. Dark fiber does not include electronics. As the *UNE Remand Order* makes clear, "[d]ark fiber is deployed, unlit fiber optic cable that connects two points within the incumbent LEC's network.... [d]ark or 'unlit' fiber, unlike 'lit' fiber, does not have electronics on either end of the dark fiber segment to energize it to transmit a telecommunications service." *UNE Remand Order* at ¶ 325 (emphasis added).

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[3] *Consolidated Petitions of New England Telephone and Telegraph Co. d/b/a/ Bell Atlantic-Massachusetts, Teleport Communications Group, Inc., Brooks Fiber Communications of Massachusetts, Inc. AT&T Communications of New England, Inc., MCI Telecommunications Co., and Sprint Communications Co., L.P. pursuant to Section 252(b) of the Telecommunications Act of 1996, for arbitration of interconnection agreements between Bell Atlantic Massachusetts and the aforementioned companies*, D.P.U./D.T.E. 96-73/74, 96-75, 96-80/81, 96-94-Phase 4-N, Order, p. 30-1 Dec. 13, 1999.

Q. DOES VERIZON VA AGREE THAT IT "MUST ADD SUFFICIENT UNUSED TRANSMISSION MEDIA TO MEET THE PROJECTED REQUIREMENTS OF AT&T" ? (ISSUE III-12 (C))

A. No. Verizon is obligated to provide access only to its existing network elements, not to ones it has not yet built. In the *UNE Remand Order*, the Commission made it clear that "we do not require incumbent LECs to construct new transport facilities to meet specific competitive LEC point-to-point demand requirements for facilities that the incumbent LEC has not deployed for its own use." *UNE Remand Order* at ¶ 148. There is therefore absolutely no obligation for an ILEC to build new facilities to meet a CLEC's demand for dark fiber UNE. Dark fiber is existing spare capacity. If there is no dark fiber available, AT&T can build its own fiber network or obtain fiber from alternative providers, just as Verizon VA does for itself when it requires additional fiber. Similarly, WorldCom's proposal – in its proposed interconnection agreement Attachment III, § 5.2.6 – that Verizon VA must "expand or overbuild its network and capacity to accommodate requests under this Attachment III" is equally overreaching and significantly beyond any lawful action that can be taken by the Commission under the Act.

Q. WHERE SHOULD ACCESS TO DARK FIBER BE PERMITTED? (ISSUE III-12 (D))

A. AT&T claims that Verizon VA should not be permitted to limit access to dark fiber "to hard termination points." AT&T Petition at 211. Instead, AT&T claims that it should be

permitted to access dark fiber "at the regenerator or optical amplifier equipment." *Id.* at 212. AT&T is wrong because, by definition, dark fiber does not include attached electronics such as regenerator or optical amplifier equipment. Fiber terminated to regenerator or optical amplifier equipment is not "dark" but rather "lit" fiber and thereby does not meet the definition of dark fiber in the *UNE Remand Order.* Verizon VA does not provide access at these points as this fiber is "lit" and in use in the provision of service to customers.

Verizon does provide access to UNE dark fiber at accessible terminals. In the *UNE Remand Order*, the Commission made it clear that a CLEC can access sub-loop and loop dark fiber at an accessible terminal. "An accessible terminal is a point on the loop where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within." (*UNE Remand Order* at ¶ 206 and n. 395)

Q. SHOULD AT&T BE ALLOWED TO ACCESS DARK FIBER AT SPLICE POINTS? (ISSUE III-12 (E))

A. No. Verizon VA provides access to dark fiber at accessible terminals in accordance with the provisions in the *UNE Remand Order*, as noted above. In so ruling, the Commission noted that terminals "differ from splice cases, which are *inaccessible* because the case must be breached to reach the wires within." *Id.* (emphasis added). Therefore, the Commission expressly carved out splice points from the definition of "technically feasible" access points within the meaning of § 251 of the Act. The Commission did so for good reason: repeatedly opening splice cases to provide access to individual fibers

threatens the integrity of Verizon VA's physical network, negatively affects the transmission capabilities of its fiber optic facilities, and poses operational risk to other services riding the fiber ribbon or cable.

Q. IS DARK FIBER LIMITED TO CONTINUOUS STRANDS OR PATHWAYS WITHOUT SPLICING OR REPEATERS? (ISSUE III-12 (F))

A. Yes. AT&T actually presents two separate questions: (a) is Verizon required to splice dark fiber for CLECs or allow CLECs to splice dark fiber for themselves; and (b) does dark fiber include fiber to which is attached electronic components such as a lightwave repeater and/or optical amplifier equipment? The answer to both of these questions is no.

(a) AT&T's claim that Verizon is required to splice dark fiber for AT&T is directly contrary to the definition of dark fiber in the *UNE Remand Order.* Indeed, AT&T even quotes that order as noting that dark fiber "is physically connected to facilities that the incumbent LEC currently uses to provide service, ... and can be used by competitive LECs without installation by the incumbent." AT&T Petition at 217 (quoting *UNE Remand Order* at ¶ 174, n. 323.). Dark fiber that must be spliced together is, by definition, ***not*** an existing fiber route that can be readily called into service. Such fiber therefore does not qualify as the dark fiber that Verizon is required to provide. Moreover, there is no basis for AT&T's suggestion that it should be allowed to splice the fiber itself. As noted above, the *UNE Remand Order* specifically recognizes that

competitors may not access splice cases.[4] Among other things, permitting AT&T to perform splices would jeopardize service to thousands of "live" customers including the customers of other CLECs, interexchange carriers and end-user customers. Verizon would also be prevented from keeping accurate records about the fiber that AT&T and potentially other CLECs were using, so that Verizon could neither send accurate bills nor ensure it was being fully compensated from the appropriate party.

(b) AT&T is also wrong in claiming that "the FCC has defined dark fiber to include these electronic components [*i.e.*, lightwave repeater or optical amplifier equipment]."[5] In fact, the Commission has done just the opposite. The *UNE Remand Order* specifically says that "dark or 'unlit' fiber, unlike 'lit' fiber, does not have electronics on either end of the dark fiber segment to energize it to transmit a telecommunications service." *UNE Remand Order* at ¶ 325.[6] Therefore, fiber that has attached electronic components, such as a lightwave repeater or optical amplifier equipment, is not "dark fiber."

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[4] The *UNE Remand Order* provides that an accessible terminal that can be used to access subloops is a "point on the loop where technicians can access the wire or fiber within the cable without removing a splice case to reach the wire or fiber within." *UNE Remand Order* at ¶ 206. The footnote to that paragraph clarifies that "[a]ccessible terminals contain cables and their respective wire pairs that terminate on screw posts. This allows technicians to affix cross connects between binding posts of terminals collocated at the same point. Terminals differ from splice cases, which are inaccessible because the case must be breached to reach the wires within." *Id.* at n. 395.

[5] *AT&T Petition* at 216.

[6] *See also* Rule 51.319(d)(1)(ii) which succinctly states: "Dark fiber transport [is] defined as incumbent LEC optical transmission facilities ***without attached*** multiplexing, aggregation or other ***electronics***." (emphasis added)

Q. ARE FIELD SURVEYS OF FACILITIES REQUIRED BEFORE VERIZON VA WILL MAKE DARK FIBER AVAILABLE TO A CLEC? (ISSUE III-12 (G))

A. No. AT&T asserts that Verizon VA "requires that CLECs initiate expensive and slow field surveys" to determine the availability of dark fiber. AT&T Petition at 220. That assertion is not correct. A field survey is not required to access Verizon VA's UNE dark fiber. Verizon VA does, however, encourage the utilization of this optional service so that a technician can field-verify the availability of dark fiber and test the fiber to ensure continuity and the transmission characteristics. Upon request from the CLEC for a field survey, Verizon VA prepares a time and materials estimate, using TELRIC rates, of the cost of a field survey. If the cost is acceptable to the CLEC, it submits the payment to Verizon and the field survey is conducted. The CLEC thereafter can make a more educated decision as to whether the available dark fiber falls within its design criteria for the telecommunications service it proposes to deploy over the fiber.

There is also no basis for AT&T's complaints about the costs and burdens of the field surveys. In this regard, Verizon VA treats AT&T no differently than it treats itself. Because the transmission characteristics of the dark fiber will be "as is," the process of checking the fiber records for the availability of dark fiber and then confirming this information with a field survey is the same method that Verizon uses to determine whether dark fiber exists for its own use. Moreover, when Verizon undertakes a field survey for itself, it too is not guaranteed that the fiber's transmission characteristics will meet its design criteria but must, nonetheless, bear the costs.

Q. PLEASE EXPLAIN VERIZON VA'S PROPOSED PROVISIONING PERIOD FOR DARK FIBER. (ISSUE III-12 (H))

A. Verizon VA has a two step process for ordering dark fiber. First, the CLEC must submit a dark fiber inquiry for Verizon VA to perform a record review to ascertain if dark fiber is available between the two desired locations. Verizon VA performs this inquiry and provides a response to the CLEC within 15 business days. This is the standard interval for all CLECs inquiring about the availability of dark fiber. If the record review indicates dark fiber is available, the CLEC can proceed to submit an ASR to order the fiber. The provisioning interval for UNE dark fiber is 30 business days. AT&T seeks to have the provisioning interval reduced to 20 days but Verizon's experience is that it requires 30 days to process, design, and schedule the provisioning of dark fiber.

V. LOCAL NUMBER PORTABILITY (ISSUES V-7, 12, 12A AND 13 AND SUPPLEMENTAL ISSUE VI-(D))

Q. WHAT LOCAL NUMBER PORTABILITY (LNP) ISSUES WILL YOU ADDRESS IN THIS TESTIMONY ?

A. AT&T is the only CLEC that raised LNP issues in this proceeding. Verizon VA raised an LNP issue with WorldCom in its Supplemental Issue VI-1(D). The issues that AT&T raises are: First, AT&T seeks a 3 calendar day porting interval (Issues V-12-a). Next, AT&T seeks specific intervals for large numbers of LNP requests (Issue V-7). AT&T also seeks porting during non-business hours (Issue V-12). Finally, AT&T attempts to

force Verizon VA to receive confirmation of a port from the Number Portability Administration Center (NPAC) before disconnecting a ported number (Issue V-13).

Q. WILL VERIZON AGREE TO THE 3 CALENDAR DAY PORTING INTERVAL DEMANDED BY AT&T? (ISSUE V-12-a)

A. No. AT&T insists that Verizon VA agree to a **three-calendar** day interval, even though it states in its Petition that "[c]urrent guidelines for porting numbers between wireline carriers allow a four-calendar day interval." AT&T Petition at 238. In fact, industry guidelines allow a **four business** day interval. There is no basis, therefore, for AT&T's demand for a three-calendar day interval. AT&T even acknowledges in a footnote that the Local Number Portability Administration Working Group, at the request of the Commission and the North American Numbering Council, recently rejected requests that the industry guideline be reduced from four to three **business** days. AT&T Petition at 239, n. 241. AT&T's rhetorical claim, therefore, that Verizon's position "is both anti-competitive and anti-consumer" (AT&T Petition at 238) is patently false. Verizon VA provides LNP fully in accordance with the Commission's requirements and the accepted business practice.

Q. IS THERE ANY VALIDITY TO AT&T'S CLAIMS CONCERNING THE 3 CALENDAR-DAY INTERVAL.?

A. No. As detailed in Volume 3, Section 5 of the Verizon VA CLEC Handbook, Verizon VA offers the following porting intervals:

Up to 50 lines:	3 business days
51 – 100 lines:	4 business days
101 – 200 lines:	5 business days
>200 lines:	negotiated interval

These business day intervals are well within industry guidelines for porting a simple POTS line. Those guidelines state that the three-business day interval begins to run after receipt of the Firm Order Confirmation (FOC). Because the carrier has 24 hours to return the FOC, the total interval is 4 business days. The guidelines do not specify an interval for multiple lines, but Verizon VA's are more than reasonable and consistent with industry practice for large orders.

Q. WHAT LNP RELATED ACTIVITIES TAKE PLACE AFTER RECEIPT OF THE REQUEST?

A. On the day of receipt of the request, Verizon VA validates the CLEC's request and, if complete, sends a confirmation back to the CLEC with the confirmed due date. An internal order is then issued within Verizon VA to add a 10-digit unconditional trigger on the telephone number to be ported the day prior to the due date and to disconnect the line after 11:59 p.m. on the due date. When the order is issued, a "create subscription" version is sent to the regional NPAC to advise concurrence with the port. The 3-business day interval is required to insure that there is sufficient time to complete all these steps and to resolve any conflicts that may arise between the service providers.

Q. WHAT IS AT&T'S CONCERN WITH THE VERIZON VA INTERVAL FOR PORTING LARGE REQUESTS? (ISSUE V-7)

A. AT&T objects to negotiating the interval for porting customers with a large quantity of numbers and instead wants to require Verizon VA to port those numbers within 5 calendar days. AT&T Petition at 245.

Q. DOES VERIZON VA COMMIT TO SPECIFIC INTERVALS FOR LARGE CUSTOMERS?

A. Yes, as noted above, Verizon VA has established porting intervals for customers with 51 to 100 lines (4 business days), for customers with 101 to 200 lines (5 business days), and negotiates intervals for customers with more than 200 lines. AT&T is wrong in claiming that Verizon VA negotiates intervals for customers with more than 100 lines.

Q. WHAT IS INVOLVED IN NEGOTIATING INTERVALS FOR CUSTOMERS WITH MORE THAN 200 LINES?

A. The CLEC will send a LSR with the desired due date and Verizon VA will evaluate the complexity of the order. Verizon VA will then contact the internal Verizon VA departments to determine the availability of resources to complete the work and get back to the CLEC with the date the work can be done. Verizon VA must assess what work is required for very large LNP requests before committing to a specific interval. There are various factors that influence the amount of work required to port a large customer. For example, the request may be to port the entire service or part of the service. If it is a

partial port, network rearrangements may be required to rearrange line configurations like hunting and routing. These network re-arrangements take time to schedule and complete. Other considerations are manual order issuance for complex orders and total volume of NPAC updates to insure that this incremental large volume does not interfere with the day to day level of order activity. By evaluating the work effort required and aligning resources for a very large port request before committing to a specific due date interval, Verizon VA provides the CLEC with a LNP provisioning date that is firm and can be met.

Q. DO VERIZON VA'S NEGOTIATED INTERVALS FOR VERY LARGE BUSINESS CUSTOMERS DELAY OR IMPEDE AT&T'S ABILITY TO PROVIDE SERVICE TO ITS NEW CUSTOMERS?

A. No. AT&T's claims of delay or impeding its ability to provide service are unsubstantiated and ignore the complex requirements of large business customers. Verizon VA's negotiated interval policy does not unreasonably delay the porting process. Very large business customers do not decide to switch service providers on the spur of the moment. Typically, a service provider would discuss this type of change with a large customer well in advance of the actual change over. In addition, any new service provider requires lead time to make the network changes necessary to provision service for the new large customer. The new service provider would have knowledge of the port well enough in advance to submit the LSR to Verizon VA, negotiate the interval, and port the account within the customer's expectation.

Q. DOES VERIZON VA PROVIDE AT&T WITH NUMBER PORTING DURING OFF-HOURS ? (ISSUE V-12)

A. Verizon VA does not provide technical support for after hours or weekend porting for its retail general consumer and business services. There is available, however, a "weekend porting solution" so that, with a minimum of advance coordination with Verizon VA, AT&T can port numbers over the weekend. Moreover, upon advance notice, Verizon VA will coordinate after hours requests for very large customers, such as hospitals, large financial institutions and public safety organizations.

Q. WHY DOES VERIZON VA NOT PROVIDE SUPPORT FOR AFTER HOURS AND WEEKEND PORTING?

A. Verizon VA's business hours are 7:00 a.m. to 7:00 p.m., Monday through Friday excluding holidays. These hours correspond to the business hours for Verizon VA's retail customers. After business hours, Verizon VA maintains a limited staff to address network problems and customer maintenance issues.

Q. DOES VERIZON VA AGREE THAT ITS PORTING SCHEDULE IS "ANTI-COMPETITIVE" AND "ANTI-CONSUMER" AS AT&T SUGGESTS? (AT&T'S PETITION AT 230)

A. Of course not. In support of its proposal that Verizon VA be required to provide off-business hours support for porting, AT&T contends that "unlike AT&T, it [Verizon VA] does not have a business need to offer the convenience of off-hour porting as a tool to

increase market share." AT&T Petition at 230. Verizon VA fully appreciates the competitive market, but AT&T is under the mistaken impression that Verizon VA exists to serve AT&T's business needs. The law, however, only requires that Verizon VA provide such services at parity—meaning that Verizon VA must provide service to a CLEC equivalent to the service it provides its own customers. Verizon VA does so. AT&T's comment that "parity has nothing to do with this issue" (*Id.*) is flat wrong.

Q. DOES VERIZON VA IMPEDE AT&T'S ABILITY TO PROVISION LNP FOR ITS NEW CUSTOMERS AFTER HOURS?

A. No. Although Verizon VA does not provide off business hours support, Verizon VA offers a weekend porting solution to AT&T that enables it to port on the weekends. Specifically, AT&T may request a Monday due date for any customer it seeks to port over a weekend. With a requested due date of Monday, Verizon VA will commit to installing by close of business on the preceding Friday a 10-digit unconditional trigger on the line that AT&T desires to port. AT&T can transfer the number to its network over the weekend without impairment of service and without the need for further intervention by Verizon VA. AT&T then controls when the porting happens. On the confirmed Monday due date at 11:59 p.m., Verizon VA would remove the line translations, including the 10-digit unconditional trigger, in the switch to release the facilities and effectuate the change in all relevant records and databases. This weekend porting solution requires no additional support by Verizon VA during the weekend, puts the control of the porting activities with AT&T, ensures a seamless transition from one service provider to another, provides the opportunity for AT&T to restore the customer to

Verizon VA service if AT&T cannot complete its work, provides sufficient time for AT&T to contact Verizon VA on Monday to reschedule/cancel the port, and gives AT&T the opportunity to install new service for its customer over the weekend. This weekend porting solution is the same arrangement available in Pennsylvania and Massachusetts, which are mentioned in AT&T's discussion of this Issue V-12.

Q. SHOULD VERIZON VA BE REQUIRED TO RECEIVE CONFIRMATION FOR A PORT FROM NPAC PRIOR TO DISCONNECTING THE NUMBER? (ISSUE V-13)

A. No. Again, as previously stated, AT&T seeks to have Verizon VA modify an existing practice only for AT&T. Verizon VA follows Ordering and Billing Forum (OBF) industry standards for CLEC ordering requests and confirmations. The LSR is the official document that authorizes Verizon VA to perform work requested by the CLEC and provides confirmation of Verizon VA commitments to complete the work as agreed upon. Verizon VA uses the LSR to process and schedule CLEC requested work orders. NPAC notification is not part of the official OBF LSR documentation and the NANC Inter-service Provider Operational flows identify the LSR as the driver to initiate and complete work requests. In addition, it has been Verizon VA's experience that ports often do not take place on the committed due date. In these instances, the CLEC must send a LSR supplemental order to reschedule, which provides Verizon VA with the official documentation to make a change on the order. This is the official notification from the CLEC to alter the work as previously agreed upon. If Verizon VA changed its

processes to wait for the NPAC notification, a significant number of customer accounts would be in limbo, creating billing and maintenance problems within Verizon VA.

AT&T's request to modify the existing processes could impair service quality for customers. Moreover, it seeks to establish separate and unique procedures for itself alone. AT&T has offered no sound reason in this proceeding as to why such a process should now be adopted by Verizon VA.

Q. DOES WORLDCOM'S PROPOSED INTERCONNECTION AGREEMENT ADEQUATELY ADDRESS NUMBER PORTABILITY? (SUPPLEMENTAL ISSUE VI-1(D))

A. No. WorldCom's proposed interconnection agreement on number portability (NP) is inappropriate as it would embed in the agreement many technical requirements that would not be allowed to evolve over the term of the agreement and thereby create ambiguity as to the proper procedures to use for WorldCom. Moreover, WorldCom has proposed inappropriate modifications to § 14.3 of Verizon VA's proposed interconnection agreement, Procedures for Providing NP Through Full NXX Code Migration. WorldCom proposes to expand porting through full code migration from the 80% benchmark that Verizon VA uses to an undefined "significant portion of an NXX."

Q. WHAT ARE THE IMPLICATIONS OF WORLDCOM'S PROPOSED LANGUAGE CHANGES?

A. In the first place, a "significant portion" is far too vague to be meaningful. In addition, Verizon VA established the 80% criteria to assure its ability to manage its number resources efficiently. In today's scarce numbering resource environment, LECs do not have sufficient spare numbers in reserve to release to another carrier. Number administration is managed by a third party vendor and all service providers must obtain vacant numbers by meeting strict criteria established by the industry and implemented by the number administrator. If Verizon VA were to agree to migrate codes when only 50% of a code is active for a single customer, the remaining vacant 5,000 telephone numbers would automatically go to the new service provider. This would require Verizon VA to apply to the number administrator for new numbers to fulfill its own numbering needs without any guarantees that the numbers would be available in a timely manner, not to mention the incremental work required to establish new numbers in the network. Essentially, WorldCom wants to shift to Verizon the burden of applying to the number administrator for numbers that WorldCom thinks it may need. But WorldCom should not be able to use this arbitration to dodge industry procedures for number allocation. Accordingly, adopting WorldCom's vague proposal would be improper and unduly burdensome to Verizon VA.

VI. UNE-P ROUTING AND BILLING (ISSUES V-3, V-4 AND V4-a)

Q. WHAT ISSUES ARE RAISED BY AT&T'S PROPOSED CONTRACT LANGUAGE IN SECTION 5.7.7.1?

A. It appears to Verizon VA that AT&T advocates a major change to the compensation arrangement between it and Verizon VA in two common situations: 1) AT&T's UNE-P customers originating or terminating calls on Verizon VA's system and 2) AT&T's UNE-P customers originating or terminating calls on a third-party CLEC's facilities-based system using Verizon VA's system. AT&T recommends all of this traffic be subject to a "bill and keep" reciprocal compensation arrangement.

Q. PLEASE IDENTIFY THE ISSUES THAT ARISE FROM AT&T'S PROPOSAL.

A. It is difficult to distinguish all of the issues raised by AT&T in V-3, V-4, and V-4(a) because they are discussed jointly without reference to a specific question. In fact, AT&T's statement of the issue or Issues V-3 and V-4(a) are identical, as are the explanations of AT&T's position. Under these three issue headings, however, there seem to be three different issues raised in both AT&T's arguments and AT&T's proposed contract language in § 5.7. The issues are: (1) whether reciprocal compensation should apply to intraLATA toll traffic; (2) whether Verizon VA and AT&T should compensate each other for local UNE-P traffic on a "bill and keep" basis; and (3) whether AT&T is responsible for entering into compensation agreements with third party facilities-based CLECs.

AT&T seeks to include the following language in § 5.7.1 and similarly in § 5.7.3 of its proposed interconnection agreement: "Reciprocal compensation arrangements address the transport and termination of Local Traffic, *including IntraLATA Toll Traffic for the purposes of reciprocal compensation.*" (Emphasis added). Although AT&T has raised

the issue of LATA-wide reciprocal compensation under the heading of UNE-P Routing and Billing, AT&T's proposed contract language would apply to ***all*** traffic between the Parties.

Q. SHOULD INTRALATA TOLL CALLS BE SUBJECT TO RECIPROCAL COMPENSATION ARRANGEMENTS?

A. No. IntraLATA toll calls are subject to intrastate access charges. In the recent *ISP Remand Order*, the Commission made it very clear that access traffic is explicitly exempted from the reciprocal compensation provisions of 47 U.S.C. § 251(b)(5). *See In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of* 1996, CC. Dkt. No. 96-98, *Intercarrier Compensation for ISP-Bound* Traffic, CC Dkt. No. 99-68, Order on Remand and Report and Order, at ¶¶ 32-37 (rel. April 27, 2001) ("*ISP Remand Order*"). In the *ISP Remand Order*, the Commission acknowledged that both interstate and intrastate traffic are treated differently than traffic that originates and terminates within the same local calling area. The Commission stated:

> Before Congress enacted the 1996 Act, LECs provided access services to IXCs and to information service providers in order to connect calls that travel to points-- both interstate and **intrastate**-- beyond the local calling exchange. In turn, both the Commission and the states had in place access regimes applicable to this traffic, which they have continued to modify over time. It makes sense that Congress did not intend to disrupt these pre-existing relationships. Accordingly, Congress excluded all such access traffic from the purview of Section 251(b)(5).

ISP Remand Order, at ¶ 37 (emphasis added). The Commission further stated:

> Although section 251(g) does not itself compel this outcome with respect to *intrastate* access regimes (because it expressly preserves only the Commission's traditional policies and authority over *interstate* access services), it nevertheless highlights an ambiguity in the scope of "telecommunications" subject to section 251(b)(5)-- demonstrating that the term must be construed in light of other provisions in the statute. In this regard, we again conclude that it is reasonable to interpret section 251(b)(5) to exclude traffic subject to parallel intrastate access regulations, because "it would be incongruous to conclude that Congress was concerned about the effect of potential disruption to the interstate access charge system, but had no such concerns about the effects on analogous intrastate mechanisms.

Id. at ¶ 37 n. 66 (*quoting Local Competition Order*, 11 F.C.C.R. Rcd at 15869 (emphasis in original)).

Q. IS A "BILL AND KEEP" COMPENSATION ARRANGEMENT APPROPRIATE SOLELY FOR UNE-P TRAFFIC ?

A. No. There is no basis to adopt a "bill and keep" compensation arrangement solely for one type of traffic. Although the Commission is considering replacing existing intercarrier compensation arrangements with "bill and keep," it has not done so yet, and there is no basis to do it piecemeal and adopt it solely for AT&T's UNE-P traffic. Instead, further consideration of this issue should be addressed in the proceedings pursuant to the Notice of Proposed Rulemaking in CC Docket No. 01-92 *In the Matter of Developing a Unified Intercarrier Compensation Regime (rel April 27, 2001).* As the Commission has noted, there it will consider "a fundamental re-examination of all currently regulated forms of intercarrier compensation." *Id.* at ¶ 1. There is no basis,

therefore, for the Commission to pursue AT&T's request in this arbitration for a piecemeal inquiry on the identical subject.

Q. IS AT&T RESPONSIBLE FOR ENTERING INTO COMPENSATION AGREEMENTS WITH THIRD-PARTY CLECS WITH WHICH IT EXCHANGES TRAFFIC?

A. Yes. All local exchange carriers are obligated by §251(b)(5) of the Act to establish interconnection arrangements with other CLECs. This obligation is discussed in detail in the testimony included in Section V of the Network Architecture Panel regarding Tandem Transit Traffic. Basically, AT&T wants to dodge this obligation by forcing Verizon to act as involuntary contractual intermediary between AT&T and any other carriers AT&T does not want to bother to contract with. AT&T's proposal would load its obligations under the Act to establish these interconnection arrangements on Verizon. The Commission cannot sanction such a violation of the Act.

Declaration of Margaret H. Detch

I declare under penalty of perjury that I have reviewed the foregoing panel testimony and that those sections as to which I testified are true and correct.

Executed this 26 day of July, 2001.

Margaret H. Detch

Margaret H. Detch

Declaration of Susan Fox

I declare under penalty of perjury that I have reviewed the foregoing panel testimony and that those sections as to which I testified are true and correct.

Executed this 26 day of July, 2001.

Susan Fox

Susan Fox

Declaration of [Insert Name]

I declare under penalty of perjury that I have reviewed the foregoing panel testimony and that those sections as to which I testified are true and correct.

Executed this 27th day of July, 2001.

Steven J. Gabriel

[Insert Name]